

Collapse of the printing Industrial Council

In the last edition of *Labour Bulletin* we published a confidential document circulated by employers in the printing industry. The document outlined strategies for blocking the Paper, Printing, Wood and Allied Workers Union (PPWAWU) from joining the industrial council. Here PPWAWU describes the struggle for national bargaining in the industry.

In March this year PPWAWU, a COSATU affiliate, applied to join the National Industrial Council for printing (NICPRINT) - one of South Africa's oldest industrial councils. In May our application was rejected by all parties to the council.

At the beginning of June a major employer party to the council - the South African Printing and Allied Industries Federation (SAPAIF), gave notice that it intended to withdraw from the NIC as from the 31 December 1989. The intention behind the withdrawal was to collapse the coun-

cil and therefore prevent PPWAWU gaining any access to this central bargaining forum.

To understand this rather rapid chain of events we need to offer some background as to why PPWAWU decided to join the council and the conditions that we have faced in organising the industry.

Printing Industrial Council

The printing NIC was established in 1921. The parties that make up the



NIC are as old as the NIC itself. There are two employer bodies - the SAPAIF and the NPU (Newspaper Press Union).

The South African Typographical Union (SATU) is the worker body.

The NPU as its name suggests pulls together employers in the newspaper industry. SAPAIF covers a broad range of employers running varying operations in the printing industry. It is dominated by the packaging giants - Nampak (Barlow Rand), Kohler (Malbak) and Consol (Anglo Vaal). The employee party to the NIC is SATU, an old TUCSA union.

Through the Industrial Council SATU established a closed shop in the industry. Together these parties have developed the laws and conditions governing the 45 000 employees in the printing industry. They are the parties that ensured a lengthy period of class compromise in the industry - with SATU engaging in its last strike action somewhere back in the 1920's.

There were four basic reasons why PPWAWU made a decision to join the printing industrial council:

- To gain access to a centralised bargaining forum;
- To have some say over the benefit funds, and prevent the legal robbery that occurs when PPWAWU members leave SATU;
- To end SATU's closed shop in the industry;
- To expose SATU's continued compromise with the bosses.

Centralised bargaining

In just under five years of organising, PPWAWU has organised 7 000 printing workers onto stop order - representing about 15% of the industry. A high proportion of this membership is concentrated in the three packaging giants - Nampak, Kohler and Consol - and the various companies swallowed up by the Waltons Stationery group. Our membership is spread over 80 different plants throughout South Africa, each with its own recognition agreement and negotiations.

With organised factories spread throughout South Africa, it is very time-consuming and difficult to win uniform improvements for workers in the industry. This, together with the fact that there are a considerable number of small employers in the industry, whose workforce has very little effective power, forced us to consider centralised bargaining as a better alternative.

NIC benefits

In the past five years workers who joined PPWAWU have lost a consider-

able amount of money. Over the years the bosses and SATU have established a number of benefit funds through the NIC - the most important being the NIC pension and medical funds. However membership of the funds is exclusive to SATU members, and workers lose money when they leave SATU and join PPWAWU. When workers leave SATU they lose all the employers contributions to the pension fund, as well as access to the medical fund.

By coming into the industrial council PPWAWU would at least have been able to prevent this legal robbery from continuing.

Closed shop in the printing industry

For a long time the printing industry has been covered by the closed shop - you belong to SATU or you do not get a job. In 1981 in the wake of Wiehahn, the closed shop was extended by the stroke of a pen to cover black workers in the industry. The first exemptions to the closed shop were granted in 1983 - but SATU's closed shop differs from other industries. Even if you have an exemption, you are required to re-new this exemption every year.

The closed shop has been used both by the bosses and SATU to maintain their grip over workers in the industry and prevent the development of any alternative.

Many of our members have faced lengthy delays in getting their exemptions - while waiting they are forced

to continue paying subs to SATU. Two examples show how the closed shop has been used in practice:

1. In Pretoria, workers at SA Bank Note organised themselves and applied for exemption. The response from the local arm of the industrial council was to reject their applications on the grounds that SA Bank Note was a strategic industry because it prints money. This was their decision alone, the union had no ground to contest it in court.

2. Workers in Nelspruit at Lowveld Printers were given letters by their bosses saying that if they left SATU they would be dismissed. Immediately after receiving the letters, the local SATU official arrived to confirm this.

Our experience is that as soon as we introduce the union the bosses get on the phone to SATU, as a tool to 'normalise' the situation. This gives one an indication as to what kind of union SATU actually is.

If we were given access to the industrial council the closed shop as it exists now, would have come to an end.

Exposing SATU's class compromise positions

SATU was formed at the end of the last century to protect skilled craftsmen in the industry. It continues to stand for this tradition.

SATU's structures are fundamentally undemocratic and racist. It has three branches: A for the Whites, B for coloured and Indian workers, and C for African workers. To a consider-



PPWAWU organiser reports management intransigence to Mondi workers, 1989. The paper and pulp industrial council collapsed in 1985 when the union pulled out.

Photo: Rafs Mayet/Afrapix

able extent these divisions also reflect the skill division in the industry. This racist branch structure, which echoes the politics of the Nationalist Party, has been under considerable pressure from rank and file SATU members. The top positions of president and general secretary have to come from grade 1 workers, who are predominantly white.

The power of skilled workers is maintained through an unequal voting system - with grade 1 workers getting one vote, grade 2 and 3 workers getting half a vote and grade 4 workers getting a quarter vote.

The 'CEC' of the SATU is called the governing body. It consists of the President, general secretary, 6 vice presidents and the president of each

branch - a total of 36 people. The blatant inequality of this structure is shown by the fact that B branch in Cape Town has 30% of SATU membership, but is represented by one person out of 36. It is significant that it was this branch alone who questioned the decision to oppose the PPWAWU application to join the industrial council.

The tactics of the SATU bureaucracy are dirty and desperate. Not so long ago they were prepared to take some of their branch leadership to court, in order to get them out of the union. Fortunately their plans were exposed and they were forced to retreat.

For over 50 years SATU has been the dominant union in the industry. It has secured a whole range of benefits

for its members, and maintained a rigorous system of grading at the expense of the unskilled workers. Its last fight with the bosses was over 50 years ago - it is a tribute to the sophistication of the bosses that they have managed to build such a solid 'alliance' with this leadership, which in practice has acted as the organisers and policeman of the bosses - curbing militancy, maintaining racism, and generally perpetuating all the divisions that maintain a divided and weak work force.

A PPWAWU presence on the council and its structures would have exposed the practice of the SATU leadership, and shown who the real fighters were.

PPWAWU tries to join the Industrial Council

So faced with a substantial presence in the industry; a wide spread of plants and the need for centralised bargaining; the closed shop; the legal robbery of workers money through the NIC pension fund; and the need to expose SATU leadership to the rank and file - PPWAWU began a discussion in its ranks around the question of joining the industrial council.

In March this year we applied to join the council. As was expected the employers and SATU were unanimous in rejecting our application. No reason was given to us as to why our application was rejected. We consulted our lawyers and prepared a case aiming to appeal against this decision.

In papers opposing our attempt to

get into the council, both the bosses and SATU put together a shallow and deceptive argument.

Amongst a lot of smears and insults their arguments boil down to 2 points:

1. That our registration certificate does not cover printing workers, and
2. That we are unrepresentative of the industry (SATU is the union that is really representing printing workers).

The real reasons for both the employer and SATU opposition emerged very soon. From a series of secret documents circulated by the bosses (see *Labour Bulletin* 14.4, p 87) it is clear that the bosses are frightened that we will use the council to take national strike action, bargain at two levels, make rapid inroads into SATU's paper membership or 'hijack it' - and in short constitute a grave threat to their profits. SATU on the other hand had similar fears, most particularly that through entry into the council we would gain access to the benefit funds, upset the only real grip they have over their membership and hence their future as a labour bureaucracy.

This coincidence of interests led to a deal later in the year whereby SATU agreed to the dissolving of the council in return for a continuation of the benefit funds. Both avoid PPWAWU.

Barlow leads the bosses

The printing federation moved swiftly into action. It used its regional structures to convene urgent meetings. All employers were encouraged to at-

tend, and invitations spoke of "complete disruption of the printing industry" because of the possibility of PPWAWU getting onto the council. The executive director of SAPAIF, Mr Sykes (a former Nampak employee) and the president rushed around the country personally addressing the regional meetings, and presenting the secret document that outlines the dangers to profits if PPWAWU gets into the council.

Spearheading all this activity is Barlow Rand through its Nampak factories. Barlows put its own decentralised decision-making policy into the dustbin, as all Nampak plants have adopted the same position - clearly responding to a company directive. As Krowther, secretary of the printing council pointed out: "The thrust of Nampak has been enormous on this issue."

Barlows policy of divide-and-rule is well known to those unions who organise in its empire - unions are forced to engage in plant-level bargaining. The company fights tooth and nail against any form of central bargaining.

The secret document circulated by the federation gave the employers four options as to how to avoid PPWAWU:



Barlows and its subsidiary, Nampak - leading the fight against PPWAWU's participation in the council

1. Exclude packaging interests from the industrial council (because of the PPWAWU membership in packaging). But this would not work because PPWAWU still has "many members in non-packaging plants, and this move will not do anything to deter them." Furthermore "we (the federation) might open ourselves to allegations of 'union bashing'".

2. Try and prevent PPWAWU's admission to the industrial council. But PPWAWU's admission is "certain" to succeed, "only the timing is in question".

3. Disband the federation, but this "would leave employers with no cohesion, no unified voice...."

4. Collapse the council - and this is what the drafters of the document are aiming at.

According to SAPAIF, the majority of their regional structures decided to collapse the council. On the one hand they were frightened by PPWAWU, and on the other the smaller employers were blackmailed by the packaging monopolies - who threatened to pull out of the federation, and hence reduce its income by 40%, if they didn't get it their way.

By 6 June the SAPAIF gave notice that it intended to withdraw from the council.

PPWAWU convened a meeting with the SAPAIF in early July. They lied to us, and told us they had decided to withdraw from the council prior to PPWAWU's application. They said it was because they wanted to put the SAPAIF on a more commercial footing, that the council was unable to resolve disputes, and that the needs and requirements of labour are best met at plant level.

In September PPWAWU took the SAPAIF to the industrial court, arguing that the withdrawal from the industrial council was an unfair labour practice. The court rejected the application, concluding in the judgement that the whole issue was theoretical because Nampak, Kohler and Consol intended to withdraw from the federation if our application was successful.

Imagine PPWAWU arguing to the industrial court that an urgent interdict against a strike action was theoretical because if PPWAWU did not back it, our members would leave the union! The union has since applied for a final order against SAPAIF under section 46(9). The hearing has been set for December.

Meanwhile SATU leadership accepted the collapse of the council from the outset. As soon as it became public knowledge that the SAPAIF was pulling out, SATU circulated a memo. The memo encouraged SATU members to immediately get management to sign agreements that it would not alter conditions or stop contributing to the NIC benefit funds once the council collapsed.

SATU bureaucracy protects position

What deals did the bosses make with the SATU bureaucracy? What gains could the bureaucracy make out of the collapse of the central bargaining forum they dominated for close on 60 years?

Clearly SATU leadership was unhappy - but they did nothing to prevent the collapse of the council. Instead all its attention was turned to the question of the benefit funds. Rank-and-file membership in a number of branches challenged the SATU leadership to do something - but the lack of organisation and structures meant that their challenges were largely ignored. On 19 October having negotiated a 'new' benefit fund arrangement with the bosses, SATU leadership agreed to dissolve the industrial council as from 1 December 1990.

In August PPWAWU approached SATU to build a joint struggle to prevent the collapse of the council - but the Deysel clique had already set their sights on the short term preservation of their base, and our offer was rejected as "presumptuous", with the warning that our ".. endeavour to enter an arena where you have no *locus standi* is ill-founded."

However our relationship with SATU goes far beyond the self interest of the bureaucracy. During the course of this year substantial contact was made with the rank-and-file. Our printing membership increased by 20% as factories joined, and pockets of SATU members in organised fac-

stories crossed over to us. SATU leadership can no longer even pretend to guarantee the future - not even to white workers.

The final touches are being made now to the new benefit fund arrangements. There is agreement between SATU and the bosses that the pension fund will only cover SATU members. SATU itself will continue to administer the fund and the bosses will continue to contribute.

Together they intend approaching the Minister of Manpower to get the agreement passed into law. A large number of SATU's members are extremely unhappy - nobody except the very top leadership of SATU was involved in these negotiations. SATU members were never asked what kind of benefits they wanted, and many workers wanted a cash payout.

PPWAWU has called the SAPAIF and the major employers to a meeting to discuss the benefit fund arrangements. It remains to be seen whether they are willing to sit down with us. There is a simmering anger amongst the rank-and-file. How this expresses itself will depend on what happens in the next few months.

Conditions will become worse

There are already signs from the bosses that they are preparing to alter conditions in the industry - especially the 40-hour week that has existed for more than 50 years. Workers in smaller companies especially, will find themselves with little or no protection.

SATU has no experience on the shop floor, and it will find itself unable to deliver the goods, as the bosses take advantage of their 'deregulation'. PPWAWU can expect the flood of workers into our ranks to continue. But the real challenge will be to weld the workers into one united fighting force against the profit hunger of the bosses.

The provocative moves to block PPWAWU organising in the industry and the handing over of our money to SATU, will not take away our need for central bargaining nor will it correct the robberies that have been committed. The role of the Barlow Rand empire in this and other union bashing exercises has already galvanised a number of unions to share their common experiences.

Central bargaining aside, it can only strengthen our organisational resolve to build a society based on the Freedom Charter, where these empires are nationalised and returned to the workers that built them. ☆